



FEB 10 1995

Reply To  
Attn Of: MD-140

Corey Taylor, Grants Analyst  
King County Department of METRO Services  
821 2nd Avenue, M/S 72  
Seattle, Washington 98104

Re: XP-990384-01-0  
Infrastructure Grant

Dear Mr. Taylor:

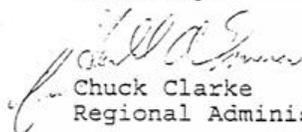
I am pleased to approve your application for Federal Assistance for the Lake Union/Denny Way Combined Sewer Overflow Control Project. The assistance amount is \$35,000,000.

Partial payment requests should be submitted on the enclosed SF 270 forms. The management of these funds is subject to final audit. We have also enclosed the applicable grant regulations.

Please review the enclosed agreement, particularly the terms and conditions in Part III. If it is satisfactory, please sign, date, and return one original and two copies by certified mail to Grants Administration Section, MD-140, within three weeks of receipt. The agreement must be signed by the authorized representative.

Any questions regarding this agreement should be directed to Cecil Carroll, Project Officer, at (360) 753-9081.

Sincerely,

  
Chuck Clarke  
Regional Administrator

Enclosures

U.S. ENVIRONMENTAL PROTECTION AGENCY EPA ASSISTANCE AGREEMENT / AMENDMENT PART I - ASSISTANCE NOTIFICATION INFORMATION		1. ASSISTANCE ID NO. XP990384-01-0	2. LOG NUMBER 10-XP-001							
		3. DATE OF AWARD 02/16/95	4. MAILING DATE 02/24/95							
5. AGREEMENT TYPE Cooperative Agreement <input type="checkbox"/> Grant Agreement <input checked="" type="checkbox"/> Assistance Amendment <input type="checkbox"/>		6. PAYMENT METHOD <input type="checkbox"/> Advance <input checked="" type="checkbox"/> Reimbursement <input type="checkbox"/> ACH Number _____ Send Payment Request to: EPA PROJECT OFFICER								
8. RECIPIENT KING COUNTY DEPT OF METRO SERVICES 821 2ND AVENUE, M/S 72 SEATTLE, WA 98104		9. PAYEE SAME AS BLOCK 8								
EIN NO. 91-6018545		CONGRESSIONAL DISTRICT 01 07 08 09								
11. PROJECT MANAGER AND TELEPHONE NO. COREY TAYLOR GRANTS ANAYLST (206) 684-2198		12. CONSULTANT (WWT Construction Grants only) N/A								
13. ISSUING OFFICE (CITY / STATE) U.S. EPA, REGION 10 GRANTS ADMINISTRATION SECTION, MD-140 1200 SIXTH AVENUE SEATTLE, WA 98101		14. EPA PROJECT / STATE OFFICER AND TELEPHONE NO. CECIL CARROLL, EPA PROJECT OFFICER 300 DESMOND DRIVE, SE LACEY, WA 98503 (360) 753-9081 LAUREL J. MICHAEL GRANTS SPECIALIST (206) 553-2596								
15. EPA CONGRESSIONAL LIAISON & PHONE BARBARA BROOKS, (202) 260-5660		16. STATE APPL ID (Clearinghouse) N/A	17. SCIENCE FIELD 44							
19. STATUTORY AUTHORITY PROPRIATIONS ACT OF 1995 (PL 103- 327)		20. REGULATORY AUTHORITY 40 CFR PART 31								
		21. STEP 2 + 3 & STEP 3 (WWT Construction Grants Only)								
		a. Treatment Level								
		b. Project Type N/A								
		c. Treatment Process								
		d. Sludge Design								
22. PROJECT TITLE AND DESCRIPTION LAKE UNION/DENNY WAY CSO CONTROL PROJECT										
23. PROJECT LOCATION (Areas Impacted by Project)										
City / Place KING		County KING	State WA							
			Congressional District 07							
24. ASSISTANCE PROGRAM (CFDA Program No. & Title) INFRASTRUCTURE GRANT		25. PROJECT PERIOD 02/16/95 - 12/31/99								
		26. BUDGET PERIOD 02/16/95 - 12/31/99								
27. COMMUNITY POPULATION (WWT Construction Grants Only) N/A		28. TOTAL BUDGET PERIOD COST \$126,000,000								
		29. TOTAL PROJECT PERIOD COST \$126,000,000								
FUNDS		FORMER AWARD								
THIS ACTION		AMENDED TOTAL								
30. EPA Amount This Action		\$0								
31. EPA In-Kind Amount		0								
32. Unexpended Prior Year Balance		0								
33. Other Federal Funds		0								
34. Recipient Contribution		0								
35. State Contribution		62,250,000								
36. Local Contribution		0								
37. Other Contribution		28,750,000								
38. Allowable Project Cost		0								
		\$126,000,000								
39 F I S C A L	Site Name	Document Control Number	FY	Approp.	Budget Organization	Program Element	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
	01)	D94690	95	GM1	104	GM6	4111			35,000,000

PART II - APPROVED BUDGET

ASSISTANCE IDENTIFICATION: XP990384-01-0

TABLE A - OBJECT CLASS CATEGORY (Non-construction)		TOTAL APPROVED ALLOWABLE BUDGET PERIOD COST
1. PERSONNEL		\$0
2. FRINGE BENEFITS		0
TRAVEL		0
4. EQUIPMENT		0
5. SUPPLIES		0
6. CONTRACTUAL		121,000,000
7. CONSTRUCTION		0
8. OTHER		5,000,000
9. TOTAL DIRECT CHARGES		\$126,000,000
10. INDIRECT COSTS: RATE % BASE	N/A	0
11. TOTAL (Share: Recipient <u>45.00</u> % Federal <u>55.00</u> %)		\$126,000,000
12. TOTAL APPROVED ASSISTANCE AMOUNT		\$35,000,000
TABLE B - PROGRAM ELEMENT CLASSIFICATION (Non-construction)		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11. TOTAL (Share: Recipient _____% Federal _____%)		
13. TOTAL APPROVED ASSISTANCE AMOUNT		
TABLE C - PROGRAM ELEMENT CLASSIFICATION (Construction)		
1. ADMINISTRATION EXPENSE		
2. PRELIMINARY EXPENSE		
3. LAND STRUCTURES, RIGHT-OF-WAY		
4. ARCHITECTURAL ENGINEERING BASIC FEES		
5. OTHER ARCHITECTURAL ENGINEERING FEES		
6. PROJECT INSPECTION FEES		
7. LAND DEVELOPMENT		
8. RELOCATION EXPENSE		
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESS		
10. DEMOLITION AND REMOVAL		
11. CONSTRUCTION AND PROJECT IMPROVEMENT		
12. EQUIPMENT		
13. MISCELLANEOUS		
14. TOTAL (Lines 1 thru 13)		
15. ESTIMATED INCOME (if applicable)		
16. NET PROJECT AMOUNT (Line 14 minus 15)		
17. LESS: INELIGIBLE EXCLUSIONS		
18. ADD: CONTINGENCIES		
TOTAL (Share: Recipient _____% Federal _____%)		
20. TOTAL APPROVED ASSISTANCE AMOUNT		

1. Financial Status Reports

The Financial Status Report (FSR), Standard Form 269, for this award shall be submitted to the Grants Administration Section, MD-140, within 90 days after the end of the budget period. When an in-kind amount is reflected on page 1, line 31, of the Assistance Agreement, the recipient shall identify in-kind expenditures in a separate column on the FSR. If the period is longer than one year, or if the agreement is revised to extend the budget period beyond one year, the recipient must submit an annual FSR within 90 days after the end of each anniversary of the agreement.

2. Lobbying

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

3. Audit Requirements/Cost Principles

- a. The recipient agrees that it will comply with the provisions of OMB Circular A-128 governing the audit of State and local government and Indian tribe federal assistance recipients for fiscal years that begin after December 31, 1984.
- b. The cost principles of OMB Circular A-87 are applicable to this award. When indirect costs are included within the assistance budget, the recipient must be in compliance with A-87 and EPA regulations regarding allowable project costs. Actual indirect costs charged to this Assistance Agreement may not exceed the final approved rates as negotiated annually between the recipient and the appropriate cognizant Federal agency. A copy of the negotiated rate must be submitted to Region 10 Grants Administration Section and will become part of the Grants file.

4. Recycled Paper

Pursuant to EPA Order 1000.25, dated January 24, 1990, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to the Agency. This requirement does not apply to Standard Forms. These forms are printed on recycled paper as available through the General Services Administration.

5. Small and Disadvantaged Business Utilization Requirements

In accordance with EPA's policy on the utilization of socially and economically disadvantaged individuals and disadvantaged business enterprises (DBE) in procurement under assistance programs, the recipient agrees to:

- a. Ensure to the fullest extent possible that at least 8% of Federal funds for prime contracts or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals.

The grant is awarded based on projected phases and estimated costs. Amendments to the grant and budget pages will be made as projected phases and costs are clearly defined by KCDMS-METRO and as planning and NEPA documents are revised and approved (i.e., the overall project objectives/goals and how the objectives of each phase (Phase I through IV) contributes to accomplishing these objectives/goals).

8. Certifications

Within 90 days after the merger between METRO Seattle and King County is complete, the grantee must submit the following new certifications/forms:

- Procurement Certification - EPA Form 5700-48
- Certification Regarding Debarment, Suspension, and Other Responsibility Matters - EPA Form 5700-49
- Certification Regarding Lobbying
- Survey of Management Systems

9. Procurement System Certification

Before initiating work under each Phase, the grantee and subgrantee shall submit a completed EPA Form 5700-48 Procurement System Certification. By submitting this form, the grantee and/or subgrantee stipulates that, for each particular Phase of work, one of the following: (1) It will obtain written EPA approval for all procurement actions; or (2) It self-certifies that its procurement system meet federal standards (Reference: 40 CFR 31.36(g) Awarding Agency Review).

If a grantee and/or subgrantee self-certifies its procurement system, no grant payments will be made until the following two steps have been completed: (1) EPA has surveyed the grantee's and/or subgrantee's procurement system; AND (2) The grantee and/or subgrantee have an approved agreement (including a schedule) with EPA for making needed adjustments and/or correcting any deficiencies. Upon completion, KCDMS's Director or duly authorized representative shall provide EPA with a written certification that all adjustments and/or deficiencies have been addressed. Also, beginning from the date of the KCDMS/EPA agreement under step (2) above and until the certification is provided, EPA shall withhold 10% of all grant payments.

10. The grantee and subgrantee acknowledges that, in circumstances where the provisions of Part 31 are ambiguous, EPA will generally look for guidance to the language of 40 CFR Part 33 and past determinations made pursuant to Part 33.

11. Retention of Project Record And Audit of Project Records

The grantee and its subgrantees agree to maintain its records in accordance with 40 CFR 31.42 (Retention of Records). Where federal and state/local records retention requirements differ (e.g., WA State RCW), the grantee and subgrantee MUST maintain all project records in accordance with federal standards. The grantee and subgrantee are advised to pay special attention to the requirements of 40 CFR 31.42 (b)(1) and (2) "Length of retention period".

EPA reserves the right to conduct an audit of this grant. The grantee and its subgrantees acknowledge that failure to maintain adequate records may result in costs being declared ineligible due to a lack of supporting documentation and the grantee's obligation to return to EPA any unsupported costs (40 CFR Part 31 Subpart D).

(The grantee is responsible for guaranteeing that its subgrantees adhere to the above requirements as well as all other federal requirements.)

## 12. Quarterly Reports

Quarterly Performance reports in accordance with 40 CFR Part 31.40 shall be submitted to the EPA Project Officer. The quarterly performance reports must contain a status of the project that is a comparison of the actual accomplishments to the objectives established for that budget period and Phase(s), as well as justifications for slippage and cost overruns. These reports will be due within 30 days of the end of the reporting period which is on March 31, June 30, September 30, and December 31 (40 CFR 31.40).

## 13. Laws, Regulations, Executive Orders

The grantee and subgrantee will comply with all federal laws, regulations, and Executive Orders, including those listed herein. (The grantee shall be responsible for guaranteeing that its subgrantees adhere to all federal requirements.)

### LIST OF FEDERAL LAWS, AUTHORITIES, AND REGULATIONS

#### Grant Regulations

- 40 CFR Part 31 - General Regulations
- 40 CFR Part 32, Subparts A-E - Debarment & Suspension Under EPA Assistance, Loan & Benefit Programs
- 40 CFR Part 32, Subpart F - Drug Free Workplace Requirements
- OMB Circular A-87 - Cost Principles For State & Local Governments
- OMB Circular A-128 - Audits of State & Local Governments

#### Environmental

- Archeological and Historic Preservation Act of 1974, PL 93-291
- Clean Air Act, 42 USC 7506(c)
- Coastal Barrier Resources Act, 16 USC 3501 et seq.
- Coastal Zone Management Act of 1972, PL 92-583, as amended
- Endangered Species Act 16 USC 1531, et seq.
- Executive Order 11593, Protection and Enhancement of the Cultural Environment
- Executive Order 11988, Floodplain Management
- Executive Order 11990, Protection of Wetlands
- Farmland Protection Policy Act, 7 USC 4201 et seq.
- Fish and Wildlife Coordination Act, PL 85-624, as amended
- National Historic Preservation Act of 1966, PL 89-665, as amended
- Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended
- Wild and Scenic Rivers Act, PL 90-542, as amended

**Economic**

- Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended
- Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans

**Social Legislation**

- Age Discrimination Act, PL 94-135
- Civil Rights Act of 1964, PL 88-352
- Section 13 of PL 92-500; Prohibition against sex discrimination under the Federal Water Pollution Control Act
- Executive Order 11246, Equal Employment Opportunity
- Executive Orders 1162 and 12138, Women's and Minority Business Enterprise Rehabilitation Act of 1973, PL 93-112 (including Executive Orders 11914 and 11250)

**Miscellaneous Authorities**

- Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646
- Executive Order 12549 - Debarment and Suspension

**14. Land**

If any eligible land is included, there will be a Federal interest in the land and the land must be purchased in accordance with applicable sections of 40 CFR Part 31, and any other applicable regulations.

**15. Payment Requests/NEPA Process**

a. No payments shall be made until the detailed work plan has been approved by EPA for Phase I (City of Seattle). Subsequently, no payment(s) shall be made on Phases II, III, and IV (KCDMS-METRO) until the detailed work plans for each phase are approved by EPA.

b. In cases where final design has not yet been completed, the grantee shall not advertise or award any final design or construction contract that may receive federal or matching funds under this grant, and no final design or construction shall otherwise commence or continue, until the NEPA process under the National Environmental Policy Act, 42 USC 4321 et seq, and its implementing regulations, 40 CFR Part 6, and 40 CFR Parts 1500 et seq, is satisfactorily completed.

In cases where final design is already complete, the grantee shall not advertise or award any construction contract that may receive federal or matching funds under this grant, and no construction shall otherwise commence or continue, until the NEPA process under the National Environmental Policy Act, 42 USC 4321 et seq, and its implementing regulations, 40 CFR Part 6, and 40 CFR Parts 1500 et seq, is satisfactorily completed.

Subsequently, no payment(s) shall be made on Phases II, III, and IV until all NEPA requirements for each phase have been met.

c. All payment requests are to be submitted to the EPA project officer for his/her approval along with required support documentation (the EPA project officer will provide information of the type of documentation required). EPA payments are to be approved by the EPA project officer before funds may be disbursed.

d. Payments shall be made on a reimbursement basis at 55% of the EPA approved allowable project costs. All reimbursable costs shall be reasonable, necessary and allocable to the project.

e. Payments shall be made only on a quarterly basis.

16. Cash Flow Projections

Updated cash flow projections shall be submitted to EPA on a quarterly basis or as significant deviations occur.

17. Project Schedules

Updated project schedules shall be submitted to EPA on a quarterly basis or as significant project changes occur.

18. Equipment

In accordance with OMB Circular A-87, 40 CFR 31.3 and 31.22, all equipment with an acquisition cost of \$5,000 or more per unit must be approved by the EPA Project Officer.

19. Hotel/Motel Fire Safety Act

Effective October 1, 1994, the recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds, complies with the Hotel and Motel Fire Safety Act of 1990.

SPECIAL CONDITIONS (continued)

PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administration Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.  
 Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers assistance/amendment to the KING COUNTY DEPT OF METRO SERVICES for 55.00 % of all approved costs incurred up to and not exceeding \$ 35,000,000 for the support of approved budget period effort described in application (including all application modifications) cited in Item 22 of this Agreement  
01/05/95 INFRASTRUCTURE GRANT, included herein by reference.

ISSUING OFFICE (Grants Administration Office)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS U.S. EPA, REGION 10 GRANTS ADMINISTRATION SECTION, MD-140 1200 SIXTH AVENUE SEATTLE, WA 98101	ORGANIZATION / ADDRESS REGIONAL ADMINISTRATORS OFFICE ENVIRONMENTAL PROTECTION AGENCY 1200 SIXTH AVENUE SEATTLE, WA 98101

THE UNITED STATES OF AMERICA BY THE U.S ENVIRONMENTAL PROTECTION AGENCY		
SIGNATURE OF AWARD OFFICIAL 	TYPED NAME AND TITLE CHUCK CLARKE REGIONAL ADMINISTRATOR	DATE FEB 16 1995

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION		
SIGNATURE 	TYPED NAME AND TITLE COREY TAYLOR GRANTS ANALYST	DATE 2/27/95